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WASHINGTON, D.C. 20503

Statement of

The Honorable Clay Johnson III

before the

Committee on Government Reform

United States House of Representatives

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This Administration recognizes that the granting of security clearances should be faster, but also ensure only those who need and deserve a security clearance actually get one.

The keys to improving the effectiveness and efficiency of the security clearance process are:

- having clear, mutually set goals;
- plans and milestones that measure whether we're on track to meet our goals;
- a lot of monitoring of the performance of responsible investigative and adjudicative agencies; and
- accountability for achieving mutually set goals.

We've had goals before, but have never held agencies accountable for meeting them.

Since enactment of the Intelligence Reform and Terrorism Prevention Act of 2004, the Administration has taken serious steps to improve the security clearance process. The Administration gave responsibility for improving the security clearance process to the Office of Management and Budget (OMB). The Director

has delegated that responsibility to me. Various other responsibilities have also been delegated, principally the responsibility for the day-to-day supervision and monitoring of security clearance investigations, and for the tracking of the results of individual agency-performed adjudications, was assigned to the Office of Personnel Management (OPM).

To assist OMB and OPM in this endeavor, we have enlisted the support and commitment from all major agencies seeking and involved in providing security clearances. They include the Departments of Defense, Homeland Security, Energy, Justice, Transportation, Commerce, and State, as well as OMB, OPM, the National Archives and Records Administration, the National Security Council, and the Director of National Intelligence. These agencies, which make up the Security Clearance Oversight Steering Committee, are committed to reforming the process and achieving the goals laid out in the Intelligence Reform and Terrorism Prevention Act: they are very proud to be a part of this effort.

The Security Clearance Oversight Steering Committee first met in August of 2005 with the initial focus on improving the investigative work done by OPM. OPM currently conducts 90 percent of the investigations necessary to determine eligibility for a security clearance. It established two working groups, one to craft the plan to meet the goals of the Intelligence Reform and Terrorism Prevention Act and another to address issues related to the reciprocity of security clearances among Federal agencies.

The Plan for Improving the Personnel Security Clearance Process

If the Administration's improvement plan is implemented as promised, you can be assured the result will be dramatic improvement in the timeliness and processing of personnel security clearances. The plan details individual areas of responsibility and actions required for success. For instance,

- At the end of 2005, a single consolidated data base of personnel security clearance information was established and is easily accessible by authorized users to confirm who already has what clearances.
- By December 2006, 80% of background investigations will be completed within 90 days of receipt of the necessary information.
- By December 2006, 80% of adjudications will be completed within 30 days of receipt of a completed background investigation.

Interim goals and metrics are agreed to by the participating agencies and will be tracked on a quarterly basis.

Reciprocity

Of course, if many agencies now requiring additional investigation of personnel with existing security clearances no longer require those investigations, the strain on the security clearance process would be diminished significantly. We commit to enforcing the longstanding policies that require agencies to honor existing security clearances except under extraordinary circumstances. Reciprocity means that for individuals with existing clearances at the same level, unless one of several narrow exceptions are present, an agency may not:

- request a new security questionnaire;
- review existing background investigations;
- review existing security questionnaires;
- initiate any new investigative checks.

The Reciprocity Working Group has identified the narrow exceptions which must be present in order for an agency to require the above additional investigations.

Those exceptions are:

- the current clearance is interim or temporary;
- for highly sensitive programs, the current agency accepted greater risk by granting a waiver or other exception to an otherwise disqualified individual;
- for certain highly sensitive programs, the individual does not satisfy a polygraph requirement if applicable to the new program;
- for certain highly sensitive programs, the individual is disqualified based upon immediately family who are not U.S. citizens if applicable to the new program;
- for certain highly sensitive programs, the individual does not meet additional but not duplicative investigative or adjudicative requirements approved by OMB on a program specific basis.

Reciprocity has been required before, but no one has ever held agencies accountable for honoring it. Agencies are moving to adopt these clearer set of conditions under which clearance reciprocity should be granted. We have not reached mutual agreement with the Department of Defense on reciprocity involving Special Access Programs, but we expect, and are committed, to reaching agreement very soon. We are also finding better ways to measure our compliance with the reciprocity guidelines, in order to hold agencies most accountable for abiding by the new conditions under which reciprocity should be granted.

Technology

Technology can improve the way we collect information, investigate an individual's background, and track the security clearance process end to end. Our

first priority is to maximize the use of technology at our disposal today. For instance, all agencies have committed to full use of eQIP, the electronic collection and transmission of individual background information, by April of 2006. This, alone, will ensure not only the timely collection of background information, but also that it is complete and accurate when it is received.

Agencies are also beginning to employ phased reinvestigations, a limited reinvestigation that may be supplemented by information that is available from electronic databases. Expanded use of this technology will greatly reduce the time it takes to update existing security clearances.

We plan on achieving the security clearance goals of the Intelligence Act with better use of current methodologies and technologies. Developing new technologies and enhanced tools will allow us to further speed and improve the effectiveness of the granting of security clearances.

Contractors

Companies with employees waiting for security clearances are justifiably troubled by the length of time it takes to complete a background investigation and grant a security clearance. The Steering Committee has met with representatives of the Contractor Community twice to outline our plans and commitment to improve the process. We seek frequent input from them regarding the reciprocity issue, to get a better sense of whether the concerns are increasing or decreasing. I believe they fully understand that the security clearance process will be reformed.

Status of Improvements

I report to you today that agencies are making good, and in some cases significant, progress improving the security clearance process, but we are not where we want to be at this point in the reform process. I will let the Office of Personnel Management report on the progress OPM is making to improve the investigation process. With regards to the other parts of the process:

Submitting Investigation Requests for Investigation

We are making significant progress getting accurate, completed investigation requests to OPM on a timely basis. In FY 2005, it took 32 days to submit completed forms to OPM. In the most recent three months, completed forms were submitted in an average of 21 days. Agencies, in general, are more attentive to the need to improve submission times, but most importantly, they have increased their use of electronic submission, eQIP, from 19% last year to 42% in April. Our goal

was to submit all requests electronically by April 1; so we are not where we wanted to be, but we are making good progress. The Department of Commerce (86% eQIP usage and submissions in 14 days) and the Department of Defense (44 % eQIP usage and submissions in 9 days) should be recognized for their strong improvements in this area.

Adjudicating

Some, but not enough, progress has been made adjudicating clearance requests on a timely basis. In April only 8% of adjudications were completed within 30 days, versus the ultimate goal of 80%. The Department of Commerce (51%), the Department of Energy (50%), the Department of Transportation (47%), and the Department of Homeland Security (43%) have made significant improvements, but these gains are more than offset by the Department of Defense, which adjudicates only about 5% of its cases within 30 days. The Department of Defense needs to hire and train more adjudicators, which they are committed to do.

Agencies are reviewing and revising, if necessary, the activities they had planned to achieve the desired goals, as they/we are still committed to achieving the December, 2006, goals laid out in the Intelligence Reform and Terrorism Prevention Act.

Defense Security Service Investigation Processing

The Defense Security Service recently halted temporarily the processing of industry clearance requests. The reason for the cessation is simply the Service did not anticipate the recent surge in requests for security clearances and therefore finds itself without adequate funds to process these request. On Monday, the Department of Defense submitted and OMB approved a reprogramming request to provide \$90.7 million to fund the shortfall. Once the four Defense Committees approve the reprogramming, the Defense Security Service will move aggressively to process industry requests for clearances. Additionally, the Defense Security Service has committed to improving its workload projections so this situation does not recur.

The goals we have set to improve the security clearance process are aggressive. Barriers will arise periodically that inhibit our progress. Working with the partner agencies and interested Members of Congress, I am certain we will be successful in dramatically improving the efficiency and effectiveness of the security clearance process.